



The Genesis Energy Building
Cnr Woodward St & The Terrace
PO Box 10568
The Terrace
Wellington
Genesis Power Limited trading
as Genesis Energy
Telephone: 04-495-6350
Fax: 04495-6363

12 April 2006

Ian Wilson
Gas Industry Company
PO Box 10-646
WELLINGTON

Dear Ian

Supplementary Levy Discussion Paper

Genesis Power Limited trading as Genesis Energy welcomes the opportunity to provide comments to the Gas Industry Company (GIC) on the paper entitled 'Supplementary Levy Discussion Paper' dated March 2006.

Genesis Energy responded to the prior GIC paper "February 2006 Levy Discussion Paper".¹ In that submission we stated we would welcome the opportunity to take part in further discussion on moving to a fixed charge per ICP levy. We are pleased to see the GIC is now considering a fixed charge option.

In general, Genesis Energy supports the new option 5. Of the various options proposed we believe this provides the best balance across efficiency, predictability and fairness.

However, Genesis Energy wishes to note that there are some practicalities that need to be considered with implementing option 5 - namely creation of ICP lists and customer switching. To create the ICP list, Genesis Energy would use its internal records of active ICPs. Unlike electricity, there is no central registry to produce this list from. Genesis Energy will need to decide how to treat customer switches in progress at month end. As a suggestion, it may be worth considering having a

¹ Genesis Energy notes that the GIC has requested that submitters not restate positions previously set out in their submissions on this paper and we have endeavored to comply with this request.

lag of say 3 months, during which switches would be completed. These two issues alone highlight how a central registry would simplify activities and provide more transparency in the gas industry.

If you would like to discuss any of these matters further please contact either myself on 021 375 061 or Wayne Crean on 09 580 4879.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Carnegie', written on a light-colored rectangular background.

John A Carnegie
Regulatory Affairs Manager
Genesis Energy